

Governance Presentation AGM 2022

Mercedes-Benz Group AG

AGENDA

Annual General Meeting 2022

A Pure-Play Company

Strategy

Supervisory Board

Remuneration System

Annual General Meeting 2022

Agenda

01

Presentation of the adopted **annual financial statements** of Mercedes-Benz Group AG (previously: Daimler AG), the approved consolidated financial statements, the combined management report for Mercedes-Benz Group AG (previously: Daimler AG) and the Group and the report of the Supervisory Board for financial year 2021 – **without voting**

02

Resolution on the **appropriation of distributable profit**

03

Resolution on **ratification of Board of Management members' actions** in financial year 2021

04

Resolution on **ratification of Supervisory Board members' actions** in financial year 2021

05

Resolution on the **appointment of the auditor** for the annual financial statements and the auditor for the consolidated financial statements

- a) financial year 2022 including interim financial reports
- b) interim financial reports for financial year 2023 in the period until the next Annual General Meeting in financial year 2023

06

Resolution on **elections to the Supervisory Board**

- a) Dame Veronica Anne („Polly“) Courtice
- b) Marco Gobbetti

07

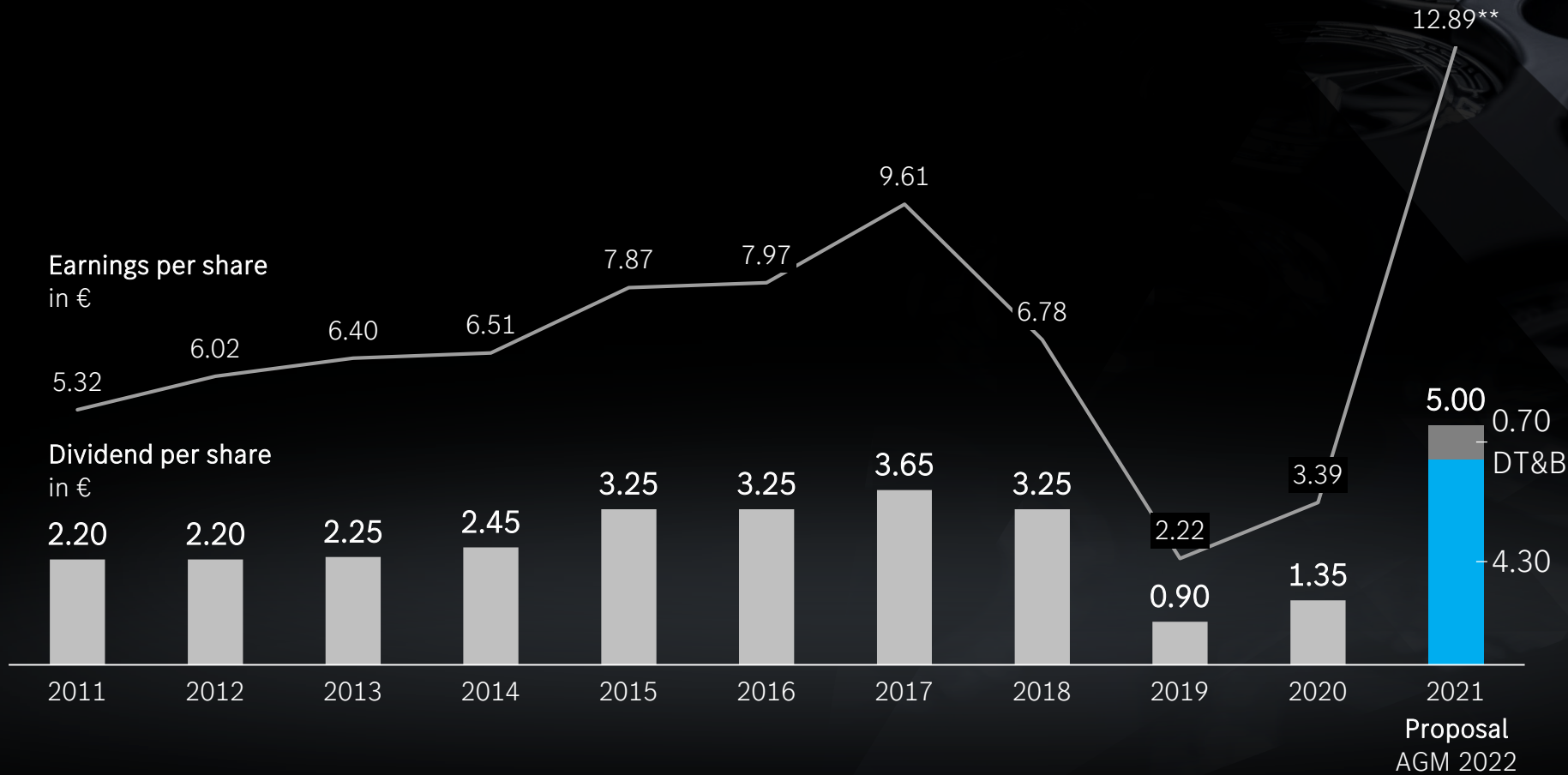
Resolution on the approval of the **remuneration report**

Mercedes-Benz Group AG

Dividend*

REFERS TO AGM TOP

02



Mercedes-Benz Group AG

Main Achievements 2021

REFERS TO AGM TOP

03



Increased financial robustness managing through the pandemic & semiconductor shortages

Accelerated strategy implementation, especially electric vehicles & automated driving

Established new company structure successfully

Supervisory Board

Excerpt of Activities 2021*

REFERS TO AGM TOP

04

New corporate structure

- Approved the implementation of the **historic restructuring** of the Group through the spin-off and hive-down of the Daimler commercial vehicle business

Business Plan

- Discussed and approved the **Mercedes-Benz business planning** with investments of **€60 billion** for passenger cars and vans with a focus on **electrification**, **digitalization** and **automated driving**

Electric only

- Discussed on the directional **shift from “electric first” to “electric only”** and the associated effects on portfolio, production, battery technology and finances (e.g. approved the investment in the European battery-cell manufacturer Automotive Cells Company (ACC))

Board issues

- Discussed the results of the **self-assessment** carried out in the 2020 financial year
- Dealt with the **ESG-relevant topic of human rights**, which is one of the key issues of the sustainable corporate strategy

Supervisory Board

Diesel emissions issues

REFERS TO AGM TOP

04

In 2021, the diesel emissions issue continued to be a regular item on the agenda of Supervisory Board meetings. Related proceedings were settled in recent years, including court and regulatory proceedings in the United States in 2020. The US authorities did not impose an external monitor as part of the settlement. Instead, ensuring compliance with the settlement's provisions lies within the company's own responsibility and is monitored by the Supervisory Board and its Committee for Legal Affairs.

In line with its internal policies as well as the settlement with US authorities in 2020, the company is continuously advancing its state-of-the-art technical compliance management system within a regulatory environment subject to constant change. The company has developed this system with considerable resources. An independent auditing firm has certified its appropriateness, implementation and effectiveness. The system meets the highest standards.

Last year, the company resolved the Canada consumer class action with the approval of the Supervisory Board. Other civil and administrative proceedings in Germany and other countries are ongoing. Pursuing these proceedings is in the best interests of the company and is consistent with the strategy approved by the Supervisory Board.

The Supervisory Board is examining a potential Management Board liability. It is analysing what led to the diesel emissions issue and whether appropriate measures were omitted at Management Board level. The Supervisory Board's external legal counsel regularly reports on the progress of the assessment. The Supervisory Board has determined that potential claims will not be subject to the statute of limitations in the near future. For details, please refer to the provided statement of the Supervisory Board's external legal counsel summarizing the measures taken by the Supervisory Board on the AGM 2022 website.

Supervisory Board

Antitrust matters

REFERS TO AGM TOP

04

Antitrust matters continue to be an **important issue for the Supervisory Board**.

On 8 July 2021, the **European Commission closed the proceedings** relating to anticompetitive conduct with regard to exhaust aftertreatment systems for cars with diesel engines (SCR¹) by way of a settlement with the relevant automotive manufacturers and issued fines of EUR 875 million. **The company** has been cooperating closely and trustfully with the European Commission and **has been granted complete immunity from fines**.

With regard to these proceedings, **the Supervisory Board is still reviewing potential compensation claims** against current or former members of the Board of Management. The same holds true for potential claims with regard to the trucks proceedings already concluded by the European Commission; those potential claims have remained with the company irrespective of the spin-off of the truck and bus business.

The Supervisory Board is thereby **fully performing its supervision tasks under stock corporation law**. This was confirmed again in March 2022 in an amended expert opinion by Prof. Dr. Mathias Habersack; an updated statement is published on the AGM 2022 website.

Appointment of the Auditor

Officially started selection and proposal process

REFERS TO AGM TOP

05

As a result of many years' experience as auditors of medium and large-sized listed international companies, **KPMG has extensive knowledge of the automotive industry.**

The Audit Committee and Supervisory Board are of the opinion that **KPMG performs very well as an independent auditor.** The **Audit Committee** regularly carries out its own analyses to satisfy itself of the quality, quality assurance systems and independence of KPMG.

The **Audit Committee and Supervisory Board** discuss the proposal for the appointment of the auditor on the basis of these analyses every year and on this basis **propose KPMG once again as the auditor for the 2022 financial year.**

A **selection and proposal process** in accordance with Section 318 of the German Commercial Code (HGB) implemented as part of the EU Regulation on Auditors **has officially been started for the first time** as published in the German Federal Gazette on February 25, 2022 - depending on the decision to be made annually - **at the latest for the appointment of the auditor for the 2024 financial year.**

The **KPMG organization** changed the auditor responsible for the audit of the annual and consolidated financial statements of Mercedes-Benz Group AG - in accordance with legal requirements - **after a maximum of seven consecutive years.** Accordingly, **Mr. Alexander Bock** as the successor of Mr. Axel Thümler **is the responsible lead partner since the audit for the 2021 financial year,** including the limited review of the quarterly financial statements starting 31 March 2021.

Annual General Meeting 2022

Interaction with shareholders under COVID-19 circumstances

Still worrying COVID-19 situation and volatile environment

Supervisory Board discussed and approved the decision of the Board to Management to hold the **2022 Annual General Meeting virtually**

Publication of key messages of the speeches by the CEO and Chairman of the Supervisory Board before the deadline for submitting questions

Publication of duly submitted video messages from shareholders in the e-Service for shareholders

By this we **adhere to health and safety** requirements while **safeguarding** the essential **interests and rights** of our shareholders

AGENDA

Annual General Meeting 2022

A Pure-Play Company

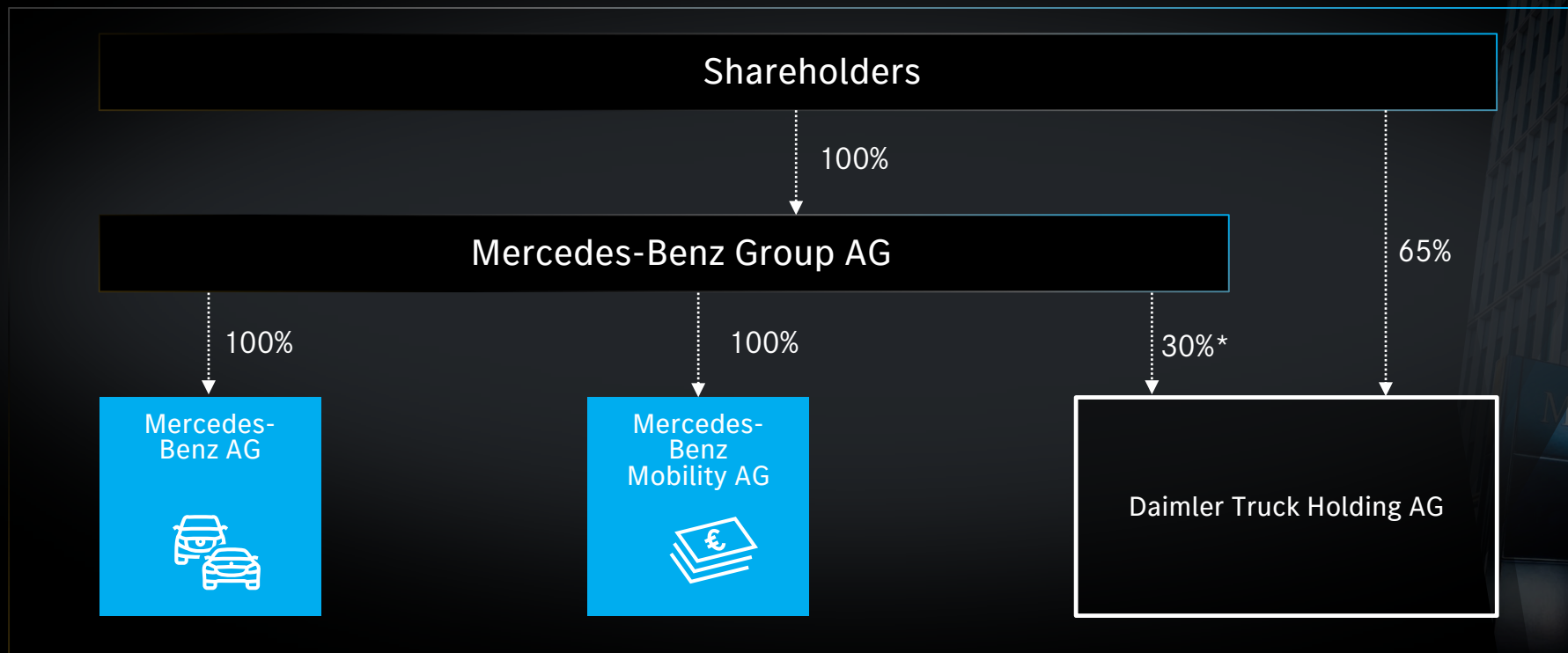
Strategy

Supervisory Board

Remuneration System

Mercedes-Benz Group AG

Structure after implementation of Project Focus



* directly and indirectly; In January 2022, shares amounting to approximately 5% of the equity capital of Daimler Truck Holding AG were transferred to the Daimler Pension Trust e.V.

Mercedes-Benz Group AG

A Pure-Play Company

Mercedes-Benz Group AG*

Revenue: €168.0 billion** Employees: 172,425***

Mercedes-Benz Cars & Vans



Development, production and sales of passenger cars, vans and vehicle-related services

Revenue: €109.6 billion
Employees: 158,228

Mercedes-Benz Mobility



Supports the sales of the Mercedes-Benz Group's vehicle brands worldwide with tailored mobility and financial services

Revenue: €27.9 billion
Employees: 9,531



AMG

MAYBACH

Mercedes-Benz
Financial Services

Mercedes-Benz Bank

MERCEDES-EQ

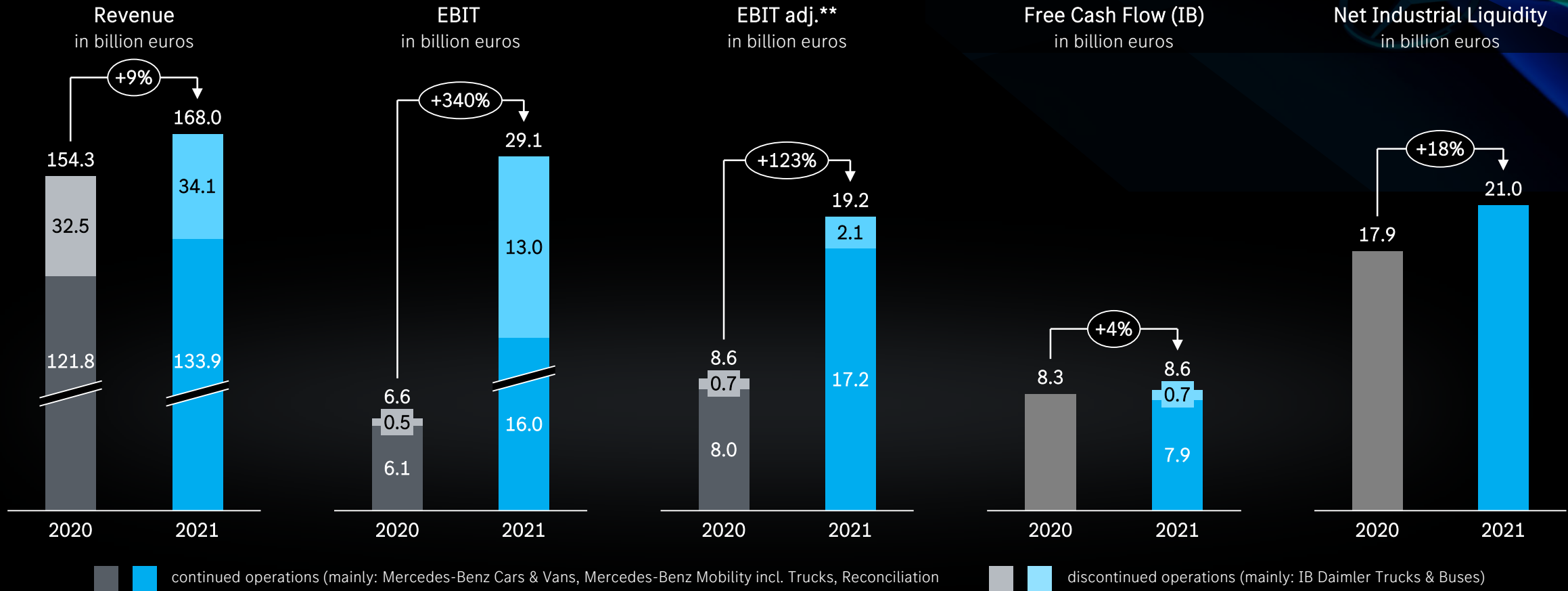
Mercedes me

ATHLON



Mercedes-Benz Group AG

Key figures*



AGENDA

Annual General Meeting 2022

A Pure-Play Company

Strategy

Supervisory Board

Remuneration System

Strategic priorities for 2022



Scale
electric
vehicles

Accelerate
car
software

Grow
luxury
business

Alleviate
supply
constraints

Consequent
focus on
costs

Mercedes-Benz Cars

We will build the world's most desirable cars

Think

and act
like a luxury brand

Focus

on
profitable
growth

Expand

customer base
by growing
sub-brands

Embrace

customers and
grow recurrent
revenues

Lead

in electric
drive and
car software

Lower

cost base
and improve
industrial footprint

Driven by a highly qualified and motivated team

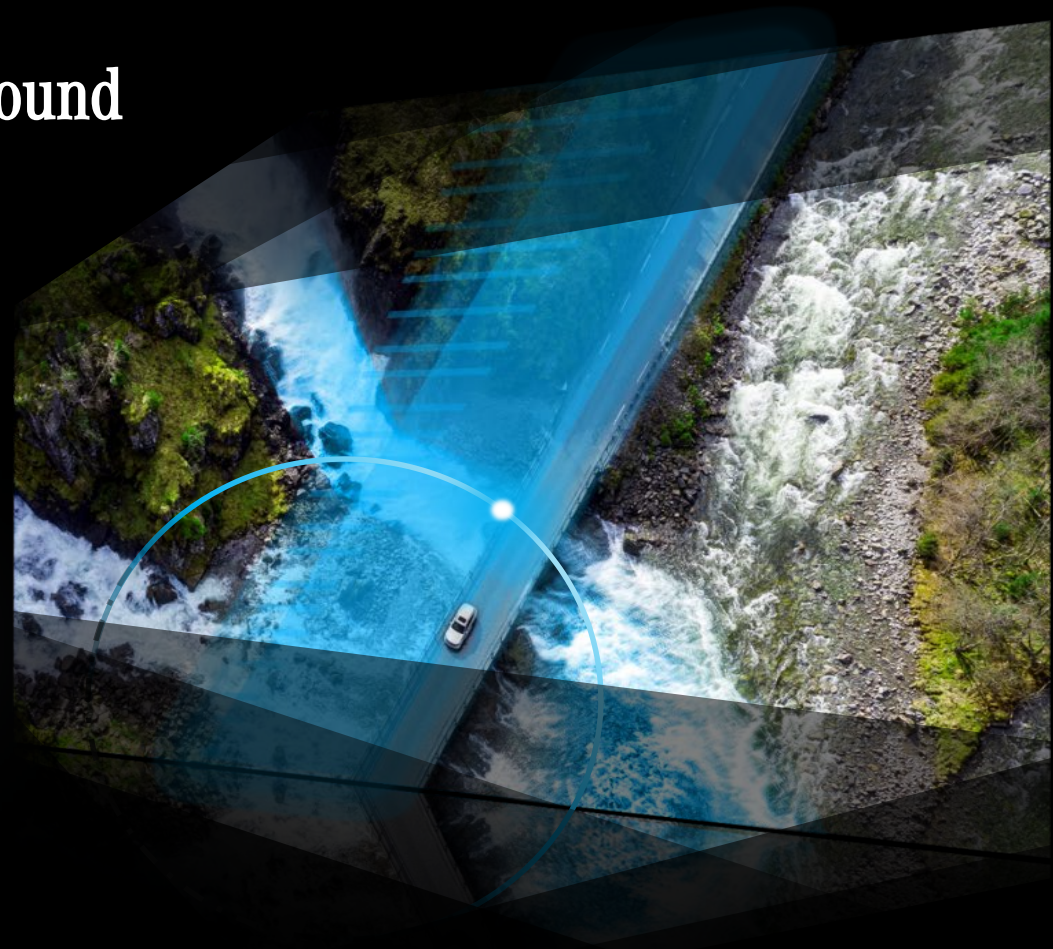
Sustainability, integrity, and diversity as our foundation

Mercedes-Benz Cars

With our Ambition 2039 we put a stake into the ground

Our ambition:
**carbon-neutrality by
2039**

It's our ambition to drive the **plug-in hybrid & BEV** share up to **50% in 2025**. By the **end of the decade**, we will be ready to go **all-electric**, where market conditions allow.



Mercedes-Benz Vans

We exceed customers' expectations with the most desirable vans and services

Lead

in electric
drive and digital
solutions

Target

premium
segments

Focus

on
profitable
growth

Embrace

customers and
grow recurrent
revenues

Lower

total
cost base

Guided by economic, environmental and social sustainability

Accelerated by digitalization and data-driven business

Driven by a highly qualified, performance-minded and motivated team

Mercedes-Benz Mobility

WE MOVE YOU! Best-in-class Mobility Services - Customer-centric, seamless & flexible

Sustainability
Electrification
Service Income

Seamlessly
integrated customer
experience

End-to-end
automation &
digitization

Data-driven
company

High-performance culture

Mercedes-Benz Group

We aim to create sustainable value for our stakeholders



Mercedes-Benz Group

Clear objectives, comprehensive disclosure and guided by international frameworks



We embedded the Sustainable Development Goals in our strategy concentrating on the areas where we can create the most value added

We use comprehensive reporting frameworks to provide transparent and comparable information on our strategy and activities

Our strategy is guided by international frameworks, our corporate values and integrity



8 DECENT WORK AND ECONOMIC GROWTH



11 SUSTAINABLE CITIES AND COMMUNITIES



13 CLIMATE ACTION



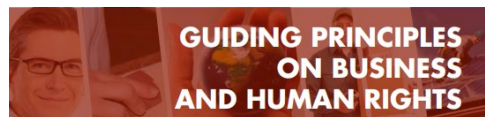
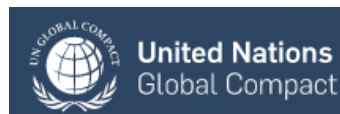
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Non-Financial Reporting Directive (NFRD)



Mercedes-Benz Group

Providing transparency on political advocacy aligned with our Paris commitment

Mercedes-Benz Group Climate Policy Report



Mercedes-Benz

Our advocacy activities and partnerships are in line with the Paris climate-protection goals

The Mercedes-Benz Group Climate Policy Report explains our perspectives on responsible climate advocacy

We make **transparent** what **climate policy activities** we carry out as a company and how the positions that we represent on climate protection correspond to the **positions of the industry associations** in which we are actively involved

We **published** the results of the analysis on **March 28th** and will integrate them into our sustainability reporting in the future

AGENDA

Annual General Meeting 2022

A Pure-Play Company

Strategy

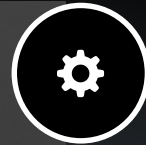
Supervisory Board

Remuneration System

Supervisory Board New Candidates

One of the world's most renowned ESG experts

Dame Veronica Anne („Polly“) Courtice



Occupation

Former Director of the University of Cambridge Institute for Sustainability Leadership



Independence

YES



Other mandates*

2

Jupiter Green Investment Trust PLC (listed);
Anglian Water Services Ltd. (not listed)



Gender
Female



Age
69

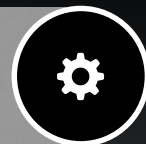


Internationality
British, South African

Supervisory Board New Candidates

Unrivalled experience in the luxury-goods industry

Marco Gobbetti



Occupation

Chief Executive Officer of Salvatore Ferragamo S.p.A.



Independence

YES



Other mandates*

1
Spring Place One Ltd. (not listed)



Gender
Male



Age
63



Internationality
Italian

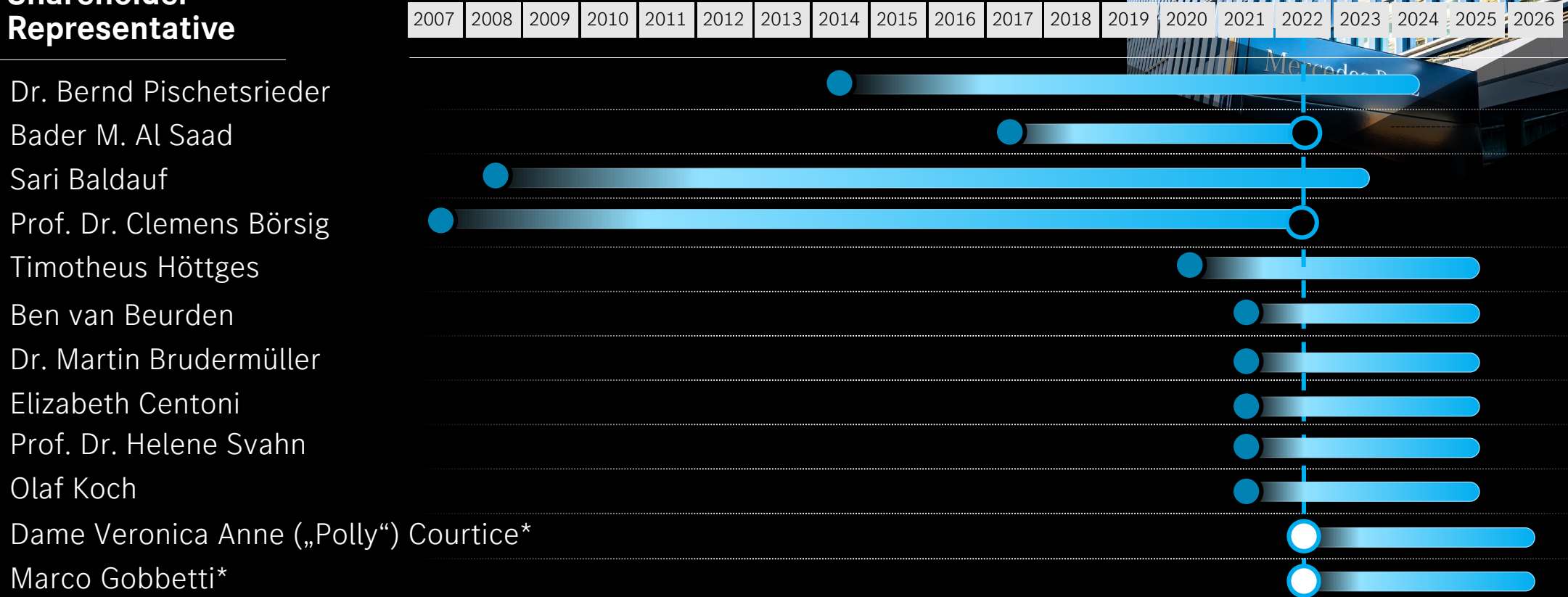
Staggered Board

Shareholder representatives elected for a four-year term since the Annual General Meeting 2021

REFERS TO AGM TOP

06

Shareholder Representative



AGENDA

Annual General Meeting 2022

A Pure-Play Company

Strategy

Supervisory Board

Remuneration System

Remuneration system for the Board of Management

REFERS TO AGM TOP

07

Key elements

Strong Pay-for-Performance through high proportion of variable remuneration

High long-term orientation of (variable) remuneration

Stock Ownership Guidelines

Relative performance measurement vs. competitors
(Share Performance and Return on Sales)

Consideration of (non-financial) stakeholder aspects

Consistency of the Remuneration System across all management levels

Target remuneration

Performance and non-performance related components

REFERS TO AGM TOP

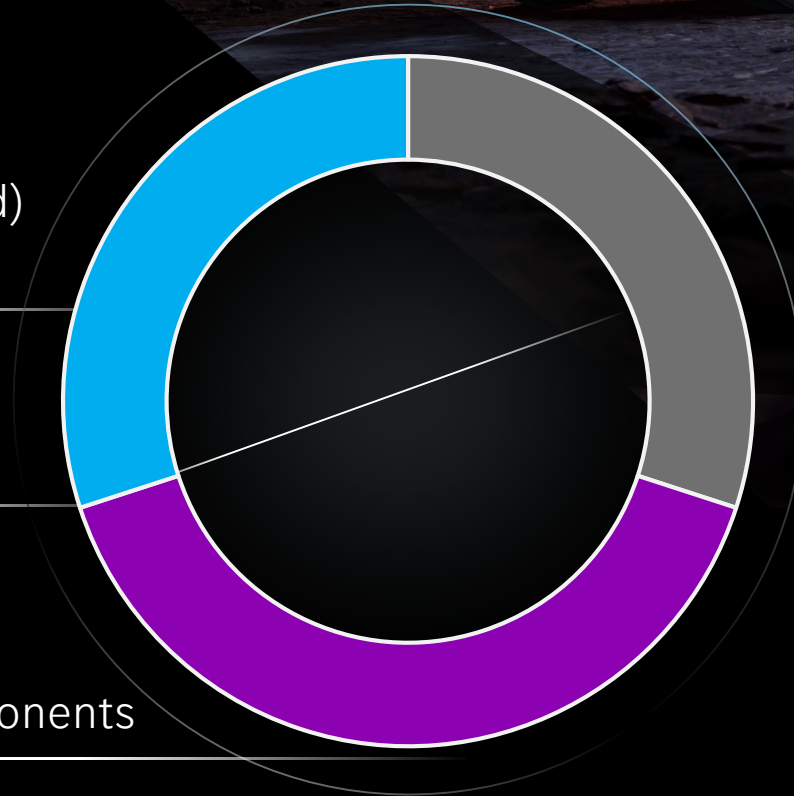
07



~30% base salary (non-performance-related)

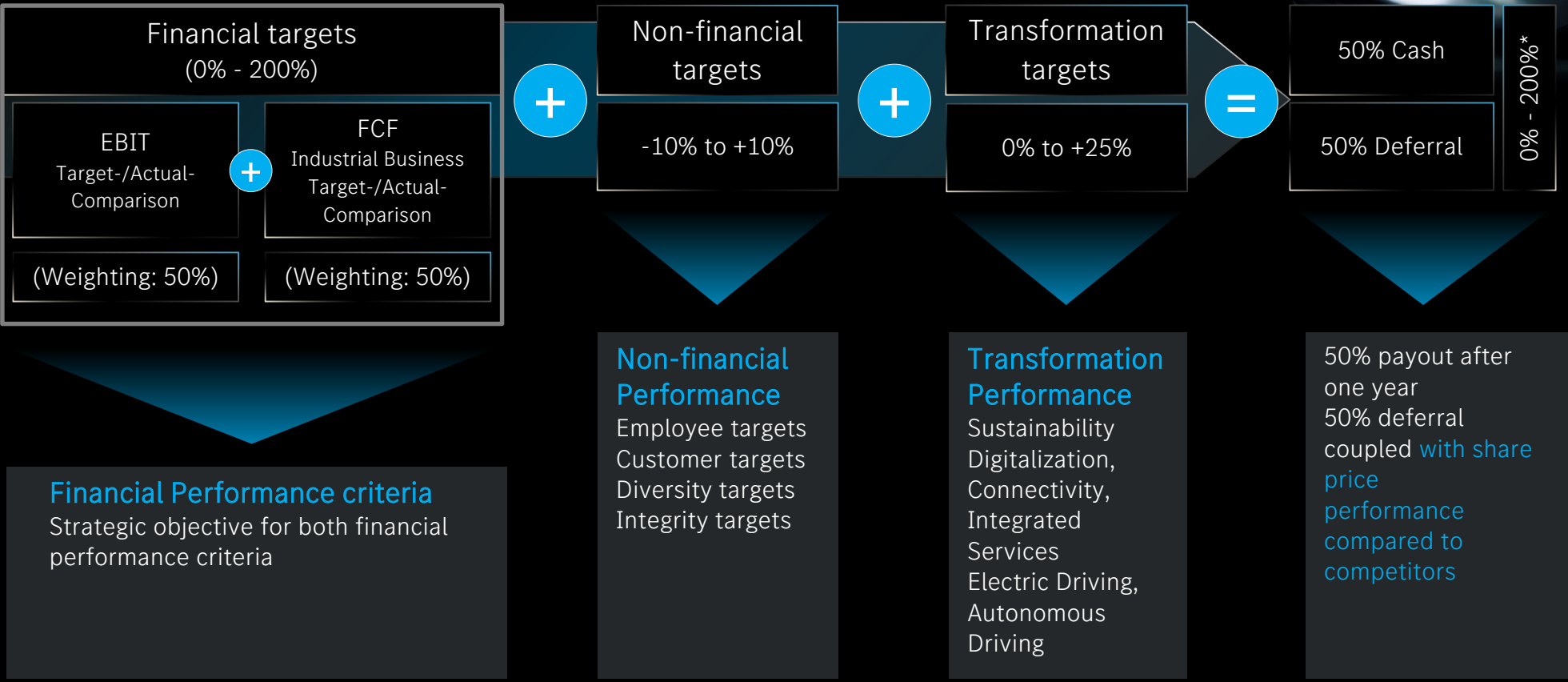
~30% short- and medium-term performance-related components

~40% long-term performance-related components



Short- and medium-term remuneration

Annual Bonus 2021



Short- and medium-term remuneration Transformation targets 2021 including ESG aspects

Taking into account the implementation of the future-oriented measures for the **technological and sustainable realignment** of the Group

ESG aspects have an explicit significance for the entrepreneurial activities of Mercedes-Benz Group AG

Transformation targets represent both **quantitative and qualitative** aspects



CO2-emission “tank-to-wheel”

Reduction of total CO2-emissions in scope 1 and 2



Adjustment of the supply chain, especially with regard to high-risked materials



Digitalization

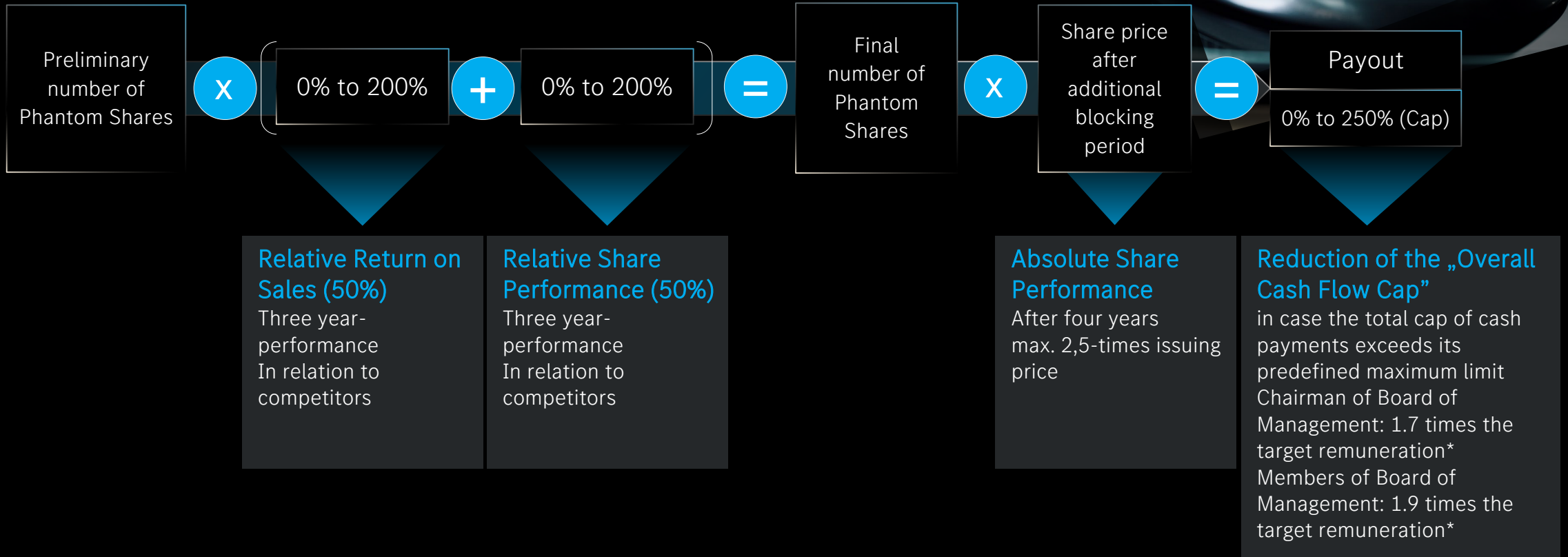
Progress of Mercedes-Benz Group operating system (especially implementation of the system and onboarding of new talents)

Long-term remuneration

Performance Phantom Share Plan 2021

REFERS TO AGM TOP

07



Disclaimer

This document contains forward-looking statements that reflect our current views about future events. The words “anticipate,” “assume,” “believe,” “estimate,” “expect,” “intend,” “may,” “can,” “could,” “plan,” “project,” “should” and similar expressions are used to identify forward-looking statements. These statements are subject to many risks and uncertainties, including an adverse development of global economic conditions, in particular a decline of demand in our most important markets; a deterioration of our refinancing possibilities on the credit and financial markets; events of force majeure including natural disasters, pandemics, acts of terrorism, political unrest, armed conflicts, industrial accidents and their effects on our sales, purchasing, production or financial services activities; changes in currency exchange rates, customs and foreign trade provisions; a shift in consumer preferences towards smaller, lower-margin vehicles; a possible lack of acceptance of our products or services which limits our ability to achieve prices and adequately utilize our production capacities; price increases for fuel or raw materials; disruption of production due to shortages of materials, labour strikes or supplier insolvencies; a decline in resale prices of used vehicles; the effective implementation of cost-reduction and efficiency-optimization measures; the business outlook for companies in which we hold a significant equity interest; the successful implementation of strategic cooperations and joint ventures; changes in laws, regulations and government policies, particularly those relating to vehicle emissions, fuel economy and safety; the resolution of pending governmental investigations or of investigations requested by governments and the outcome of pending or threatened future legal proceedings; and other risks and uncertainties, some of which are described under the heading “Risk and Opportunity Report” in the current Annual Report or in the current Interim Report. If any of these risks and uncertainties materializes or if the assumptions underlying any of our forward-looking statements prove to be incorrect, the actual results may be materially different from those we express or imply by such statements. We do not intend or assume any obligation to update these forward-looking statements since they are based solely on the circumstances at the date of publication